

City of Seattle

BORROWER'S GUIDE

USING OH-ADMINISTERED HOUSING FUNDS

**Multifamily Rental Production
and Preservation Program**

Revised: May 25, 2005

**City of Seattle, Office of Housing
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BORROWER'S GUIDE FOR OH-ADMINISTERED HOUSING FUNDS

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A. INTENT AND USE OF GUIDE

The Borrower's Guide is intended to help borrowers of Office of Housing (OH)-administered funds and their development teams as projects move from fund reservation through close-out. Fund reservation letters include a copy of the current version of the Guide so project borrowers and OH staff can clearly understand their respective roles and responsibilities as the project moves forward.

Some City-administered funding sources may have slightly different requirements which will be spelled out in the City loan documents, but this Guide is intended to provide general direction. We expect the Guide to be amended from time to time as clarifications are needed, but we don't want it to be so detailed that it is cumbersome to use. Neither the Guide nor any fund reservation letter is intended as a contract or legally binding commitment by either the City or the Borrower. The Guide summarizes some provisions that may appear in the loan documents, but the loan documents are the legal contract.

If you have questions or comments about the Guide, please call Joanne LaTuchie (Lending Manager) at 615-0995 or the OH project manager assigned to your project.

B. LOAN DOCUMENTS AND LOAN CLOSING

1. Timing

To avoid closing delays, OH requests that the Borrower contact OH at least six weeks prior to the anticipated closing date. The project manager will prepare and send the first draft of the loan documents to the Borrower for review approximately three to four weeks prior to the closing date. The loan documents will contain funding conditions approved by the OH Director in the fund reservation, including specific conditions related to the source of funds for the City loan.

The Borrower must submit a disbursement schedule to OH for approval at the time the loan documents are being prepared. This schedule will identify all project funding sources and which sources are to pay for pre-development, acquisition, development and construction. This schedule will become part of the Loan Agreement.

If we do not hear comments within two weeks of the date the draft documents are sent, final loan documents will be prepared for the Borrower's signature.

If an escrow is involved, all documents will be forwarded to the escrow company with closing instructions.

2. Budget

The project budget discussed with the Borrower and approved by OH will be Exhibit A to the Loan Agreement. OH must approve any changes in the Project Budget.

3. Rent Schedule

The rent schedule reported by the Borrower in the application, or as revised during project review and approved by OH will be Schedule A to the Regulatory Agreement. HOME Program-funded projects will be required to identify the HOME designated units in the Rent Schedule.

4. Performance Dates

Performance dates in the loan documents will be those reported by the Borrower in its application, or as revised during project review or subsequently approved by OH.

5. Escrow/Title Companies

Lender's Extended Title Insurance is required on all City loans. The following title companies have been approved by the City's Risk Management Office: Pacific Northwest Title (with a Stewart Title guaranty on the policy), Chicago Title Company, Transnation Title company, Evergreen Title Company (underwritten by Transnation), Old Republic Title Company, Lawyers Title Company and First American Title Company. Others may be acceptable. Please contact the OH project manager before ordering title insurance from a company not listed here.

If acquisition is involved, or City funds are used to retire a bridge loan or other financing, an escrow must be established by the Borrower. OH requires all escrow transactions to be handled by the escrow section of an approved title company or an escrow company for which an approved title company has provided the City with an acceptable closing protection letter. This assures that financial assets of the title company are sufficient to insure against any losses that might occur should problems arise and underlying claims, mortgages, judgments, etc. are not removed to clear title. Law firms may be permitted to handle escrow but must be approved by the City's Risk Manager.

6. General Requirements Prior to Closing

Prior to closing the Borrower shall provide the OH project manager the following:

- a.** Insurance binders listing the City of Seattle as Loss Payee for property damage and as Additional Insured for liability;
- b.** Resolution from Borrower's board of directors accepting/acknowledging the new financing for the project and listing authorized signors;
- c.** Opinion of Borrower's counsel; and
- d.** Statement from the Borrower that the representations and warranties in the application for the City loan are true and correct as of the closing date.

C. MONTHLY PROGRESS REPORTS

One month following the fund reservation, Borrowers will be required to provide the first monthly progress report to OH. Reports must be submitted every month through project closeout. Reports should be sent to the OH project manager assigned to the project. In general, the monthly progress reports should accompany progress payment requests. Note that payment requests will not be processed if monthly progress reports are overdue. Borrowers may use their own formats, but the report must include, at a minimum:

1. Schedule

Updated, as activities become more defined.

2. Project Funding

Status of capital fund sources such as grants, final loan documents from other sources, or tax credit equity.

3. Architectural and Engineering Work

Status of architectural and engineering work.

4. During Construction

Discuss any pending modification to the construction project and include copies of final change orders. Provide copies of bank inspection reports if available.

5. Relocation

Status of relocation activities, if applicable.

6. Monthly Accounting Reports

Monthly spreadsheets must be included that identify all expenditures by budget line items and by funding sources. Any changes to the line items must be identified with explanations of increases or decreases

7. Section 3

If a project has federal funds, a monthly Section 3 status report for each architect, engineer and contractor working on the project (see Section H, item 3).

8. Women and Minority Business Enterprises

If a project has federal funds, a monthly WMBE Utilization Report for contractors and consultants working on the project. For projects with non-federal funds, the Borrower shall report on its success in meeting the aspirational goals for all construction and consulting contracts. (See Section H, item 2 for more information on the report form)

9. Wage Rate Reporting

Status of contractors' compliance with wage-rate reporting requirements. If a project has federal funds, and federal Davis-Bacon prevailing-wage rates apply, weekly reports must be provided to the City's Human Services Department (HSD). OH will provide borrowers with federal prevailing-wage rates. State prevailing-wage rates can be found on the State web site at www.lni.wa.gov/prevailingwage/prev_wage_rates.htm.

10. Development Team Changes

Any changes in owner's or developer's staff responsible for project activities, e.g., the project manager, the construction manager, etc.; any changes in project consultants, e.g., the architect, the hazardous materials consultant, etc.; or in the management of the project after occupancy.

If a report discloses problems or discrepancies, Borrowers should describe how they intend to resolve them and may be asked to schedule a meeting with OH staff to discuss the resolution.

NOTE: City funds will not be disbursed unless all monthly reports are up-to-date.

D. HISTORIC, ENVIRONMENTAL AND DESIGN REVIEW

1. Section 106 Review

City policy is to conduct a Section 106 Review (historic review) for all City-funded projects, regardless of fund source. OH will request a Section 106 Review and submit project photographs, project summary and scope of work to the City's Urban Conservation Division ("UCD"), Department of Neighborhoods, during the project proposal review for a Determination of Eligibility for the National Register of Historic Places.

If the building or site is determined eligible for listing in the National Register by the State Historic Preservation Office ("SHPO"), UCD sends its evaluation of the effect of the proposed alterations to the building to SHPO for review and for a Determination of Effect. If the State determines that there is an adverse effect, it notifies UCD that contacts OH and the Borrower. UCD will provide OH and the Borrower with specific federal requirements (compliance with the Secretary of the Interior's Standards) for preservation of historical elements of the property. Borrowers must direct their consultants to modify their drawings and specifications to meet these preservation requirements.

2. Landmarks Review

If the project is a designated City Landmark the City's Landmarks Preservation Board will review the project. This review is triggered by the permit application and required before a permit is issued. The City's Department of Construction and Land Use ("DCLU") will advise the applicant of this requirement.

3. Special District Review

If the project is located in a City-designated Historic District or Special Review District, e.g., International District, Pioneer Square, Columbia City, etc., the appropriate Special District Review Board will review the changes before DCLU issues a building permit.

4. Seattle Design Commission

The Seattle Design Commission (“SDC”) was created to ensure that the citizens of Seattle receive the highest level of design quality possible in publicly funded facilities. Design Commission review of multifamily projects funded by OH will be limited to new construction on City disposed sites and any project involving alley vacation.

The Borrower will schedule the Seattle Design Commission review meeting and advise the OH project manager of the date and time. The Borrower and its consultants should present the project to the SDC after OH issues a fund reservation but before the start of contract documents. This will enable the SDC to make suggestions before the project has been completely designed. Written notes of the meeting and any design recommendations will be sent to the Borrower and OH by the Design Commission staff. The Borrower should provide the SDC recommendations to its consultants for consideration in the design of the project.

5. National Environmental Protection Act (NEPA) and related laws

A NEPA review checklist will be completed by the City for projects that include federal funds provided by or through the City. The checklist addresses Section 106 review (above), noise, flood plain, steep slopes, hazardous materials, and other environmental issues. The review might determine that the project is categorically excluded; if it is not, all checklist issues must be satisfied. If all environmental questions have been answered favorably, a Finding of No Significant Impact is published in the Seattle Daily Journal of Commerce, and a 30-day comment period is required before funds can be released for the project. If the project information results in a Finding of Significant Impact, the project will require a level of scrutiny beyond the scope of this guide. The review process goes quickly for small projects, but new construction or major rehabilitation requires public notice, comment periods, and an approval to release funds from HUD, completion of which may take six or more weeks. Federal funds may not be disbursed until the process is completed.

6. State Environmental Protection Act (SEPA)

Borrowers are responsible for obtaining a Master Use Permit from DCLU. DCLU administers compliance with the State Environmental Protection Act (SEPA) at the project permit stage. If the project is not categorically exempt, then availability of City loan funds may be restricted until SEPA analysis is completed. If adverse impacts are identified, the project may be denied or modification may be required. A City funding decision cannot be considered final, even if some funds are disbursed, until all SEPA review has been completed and the City has determined that the project may proceed.

7. Endangered Species Act (ESA)

All projects that receive federal funding are required under Section 7 of the Endangered Species Act (ESA) to evaluate the impacts (if any) of the proposed project or action on listed species. DCLU will review the project for compliance with the Endangered Species Act (ESA) at the project permit stage, evaluating the impacts of the proposed construction or rehabilitation and the impacts of the completed project. Projects meeting the following conditions will generally meet the “no effects” criteria and will proceed through the normal permitting process:

- a.** no additional stormwater runoff will be generated;
- b.** staging area will:
 - i.** be located on a paved or gravel surface to minimize erosion,
 - ii.** prevent stormwater contamination by storing liquid materials, erodable materials, pesticides and fertilizers and by covering building, landscaping and waste materials;
 - iii.** prevent stormwater from running on to an area storing liquid materials, erodable materials, pesticides and fertilizers building, landscaping and waste materials, by use of a curb, berm or dike;
 - iv.** use appropriate stormwater runoff control mechanisms.
 - v.** No heavy mechanical disturbance to soils or vegetation will be made to the site
- c.** No trees or riparian vegetation will be removed from the site.
- d.** All construction, demolition, dangerous wastes and hazardous wastes will be managed accordingly and taken to a certified solid waste or hazardous waste facility.

Projects that do not meet the “no effects” requirements outlined above will require analysis of potential impacts to listed species. If adverse impacts are identified, the project may be denied, a consultation with National Marine Fisheries Services and/or the U.S. Fish and Wildlife Services will be conducted, and modification may be required. A City funding decision cannot be considered final, even if some funds are disbursed, until the ESA review has been completed and the City has determined that the project may proceed.

E. FAIR CONTRACTING PRACTICES; WMBE UTILIZATION

Borrowers must comply with the City's Fair Contracting Practices Ordinance. Borrowers and their general contractors shall be encouraged to take actions, consistent with that ordinance, that would increase opportunities for women and minority business enterprises (WMBEs). A combined WMBE aspirational goal of 14% of the total construction and other contracted consultant services contracts shall apply to each rental project funded by OH (including Levy and other OH fund sources). Borrowers are encouraged to take actions that would increase opportunities for WMBE contractors. OH shall encourage other efforts to increase WMBE participation including mentoring programs and participation in apprenticeship and other training opportunities. Section H.2, below describes reporting requirements on aspirational outcomes.

F. ARCHITECTURAL AND CONSULTANT CONTRACTS

1. Insurance

All prime consultants, including hazardous-materials consultants, must carry a minimum of \$1,000,000 commercial general liability and \$1,000,000 professional-liability insurance for all projects. Applicants may request a reduction of insurance requirements for small (less than \$50,000), non-hazardous type projects. Projects over \$5,000,000 may require higher limits of insurance as determined by the City Risk Manager. All insurance requirements are determined by the City Risk Manager's office.

2. Ownership of Architectural Documents

Architectural contracts must include the following statement concerning ownership of the contract documents. The language is to protect the owner and/or the City if there is a disagreement with the consultant. The City's Law Department has approved this language:

"Upon payment to the Architect of any fees stated in Article [insert section], the drawings, specifications and other documents prepared by the Architect for this project become the property of the Owner and may be used by the Owner for additions to or completion of the project. The Architect assumes no responsibilities for modifications to the documents by others."

3. Fees and Expenses

The Washington Department of General Administration suggests the following percentages for the architect's fee payment schedule: 14% at schematics, 21% at design development, 38% at construction documents, 2% at bidding, 24% during construction phase, and 1% at final completion. OH requires a minimum of 20% for the construction phase.

Fees paid for schematic work completed during the proposal phase should be subtracted from the consultant's contract to avoid paying for the same work twice.

Extra service proposals should be based on a cost per hour to a guaranteed maximum or a fixed fee proposal by the consultant. Consider special Design Reviews when negotiating extra services.

Fees may not exceed the current Washington State Guidelines for Determining Architectural and Engineering Fees for new and rehabilitation construction. Schedules are available from the Washington State Division of Engineering and Architectural services at 360-902-7272, and at <http://www.ofm.wa.gov/budget/instructions/ae/aecontents1.htm>.

G. CONTRACTOR SELECTION

The Borrower may contract through an open competitive bid process, a competitive bid process open to pre-qualified contractors or request to negotiate a contract with a selected contractor.

The Borrower will advise the OH project manager of the selected contractor prior to contract execution. OH will verify that the selected bidder has not been debarred, suspended or voluntarily excluded from federal contracts if federal funds are being used for the project. Debarred contractors are not eligible to work on federally funded projects.

Borrowers may negotiate with the low bidder on projects when the bid is over budget, if the project has deadlines that may endanger project funding or feasibility, or rebidding may not be advantageous. Prior to final modifications to the contract documents, OH must approve any substantial reduction to the project design and scope of work as proposed in the NOFA application.

1. Competitive Bidding

a. Pre-qualification of Contractors

The Borrower may choose to pre-qualify bidders through an open and competitive process to compile a finite list of qualified bidders. The Borrower should clearly state the required qualifications and advertise the Request for Qualifications (RFQ) in the Daily Journal of Commerce for a minimum advertisement period of five (5) consecutive days. Qualification criteria should be measurable, appropriate to the specific project and not unreasonably exclude qualified contractors.

b. Bid Advertisement

The Borrower is responsible for preparing the bid advertisement. Bidding procedures must be consistent with the American Institute of Architects (AIA) Document A701, Instructions to Bidders. These procedures are the industry standard for construction projects.

c. Bidding

The Borrower is expected to provide the bidders with a complete set of plans and specifications and a bidder's walk-through with the architect present.

2. Negotiated Contracts

The Borrower may request to negotiate a construction contract by submitting a written request to the OH Project Manager. The request will state the reasons why it is not practical to use competitive bidding. Requests will be evaluated and a written response will be mailed out within five (5) days of receipt of the request.

The contractor selection process should be an open process to solicit the most qualified contractor and follow similar steps outlined in the prequalification of contractors section above.

3. Small Contracts

Contracts for \$25,000 or more will be competitively bid in accordance with the procedures described above. For smaller contracts some form of price competition should be used, but it may be less formal. The Borrower should document bids or estimates from at least three sources. Appropriate wage rates will be required for all projects. The Borrower will advertise, bid, and administer the contracts as outlined elsewhere in this section.

H. CONSTRUCTION CONTRACTS

1. Construction Contract Documents

Construction contract documents must include certain requirements of the City loan documents (e.g., payment of prevailing wages, WMBE participation reports, etc., as set out below). OH project manager will provide the OH “boiler-plate” specifications for inclusion in the project manual. These specifications are not attached because they change from time to time and vary with project-specific funding requirements. Borrowers should not assume specifications used for a previous project are up-to-date for the next project. Borrowers should contact OH project manager for updated language for each new project.

OH Boilerplate language will be provided for the following:

- a. WMBE participation, information and reporting requirements.
- b. Section 3 of HUD Act of 1968 pertaining to requirements for hiring of low-income persons and participation by Section 3 businesses, if applicable.
- c. Sworn Statement of Compliance with SMC 20.44 (Affirmative and Equal Employment Opportunity).
- d. Wage rates and Davis-Bacon requirements, if applicable.
- e. OH Supplementary Conditions: includes information concerning inspections, lead paint, bonding, insurance, etc.

Note: The Borrower must send a copy of the executed construction contract documents including the construction contract, plan set and specifications including applicable OH “boiler-plate” to OH for approval before the start of construction.

Note: For projects where Davis Bacon is applicable, Borrowers are required to incorporate all modifications to the federal Davis Bacon wage rates, if applicable, that occur up to ten (10) calendar days prior to the signing of the construction contract.

2. WMBE Requirements

For projects with HOME or CDBG funding, Borrowers are required to comply with 24 CFR Part 85.36 by taking all necessary affirmative steps to provide opportunities for women and minority business enterprises in procurement and contracting. Such efforts may include, but will not be limited to:

- a. Identifying and placing these firms on formal and informal solicitation/bid lists;
- b. Encouraging these firms' participation through direct solicitation or bids or proposals whenever they are potential sources;
- c. Advertising in minority and women's publications;
- d. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms;
- e. Encouraging contractors and subcontractors to subcontract with qualified WMBE's; and
- f. Using the services and assistance of the U.S. Small Business Administration (SBA), the Northwest Minority Supplier Development Council (NWMSDC), and Minority Business Development Agency of the Department of Commerce.

For projects with non-federal funds, Borrowers and their general contractors are encouraged to take actions, consistent with the City's Fair Contracting Practices ordinance that would increase opportunities for women and minority business enterprises (WMBEs). A combined aspirational goal of 14% of the total construction and other contracted services contracts shall apply. Borrowers shall report on WMBE contracting outcomes.

For all projects, the Borrower will be required to forward to the OH Project Manager a completed *Minority Business Enterprises Report* when the construction contract is executed. A *Minority Business Enterprises Report* is required with each construction draw. A copy of the form is attached to this guide.

3. HUD Section 3 Requirements

Section 3 of the Housing and Urban Development Act of 1968 requires that employment generated by construction work HUD-funded projects shall, to the greatest extent feasible, be directed to low and very low income persons, and (2) business concerns which provide economic opportunities to low- and very low-income persons.

Section 3 applies to Borrowers who receive \$200,000 or more of HUD funding during the construction year and have at least one construction contract of more than \$100,000. If these thresholds are met, Section 3 applies to the entire project. The Section 3 regulations require that at least 30% of new hires on construction projects be low and lower income persons.

The Borrower must submit the *Contractor's Section 3 Plan* which covers hiring plans of the prime and of all subcontractors. The Borrower is also responsible for submitting the contractor and subcontractors *Section 3 Status Reports* to OH each month. The Borrower will insure that the contractors and the architect and engineering consultants comply with the Section 3 requirements.

4. Wage Rate Requirements

State Residential Prevailing Wage Rates shall be the minimum rates paid for project construction. The Contractor and subcontractors will be required to report to the State and to OH prior to beginning work and upon completion of their contracts by submitting Statement of Intent to Pay Prevailing Wages and Affidavits of Wages Paid, respectively. The Borrower will insure that the contractor complies with wage rate requirements.

Federal Davis Bacon Wage Rates may be required on projects using federal funds. If applicable, contractors will be required to provide weekly payroll reports to the City's Human Services Department, which will monitor project compliance. If a project has no federal funds, Washington State Residential Prevailing-wage rates will apply. If a project has both federal and non-federal public funds, and Davis Bacon Wage Rates apply, the higher of the State residential prevailing wage for each trade will apply. The OH Director may approve a change in these requirements if necessary to achieve compatibility with a state or federal funding source or to promote the including of Levy-funded units in mixed income and/or mixed-use buildings.

Before the start of construction, the City's HSD will hold a labor standards pre-construction conference for federally funded projects requiring federal wage monitoring. OH recommends that Borrower hold its own pre-construction conference with the general contractor to discuss other project elements.

Note: Final OH payment will not be processed until all Davis Bacon requirements have been met.

I. PROGRESS PAYMENTS DURING CONSTRUCTION

Progress payment requests must contain the following documents: 1) a letter requesting City funds from the Borrower. This letter must contain the Borrower's authorized signature. 2) all invoices and back-up documentation. OH must approve the progress payment request prior to disbursement of City funds.

1. Before Construction Start

Prior to construction start, the Borrower must provide the OH staff with a copy of the following:

- a.** Executed construction contract including OH boiler-plate language;
- b.** Non-collusion Affidavit.
- c.** Signed Notice to Proceed if required by the contract,
- d.** Copies of the Payment and Performance Bond with the City named as obligee;
- e.** Completed Section 3 forms, if applicable;
- f.** Minority Business Enterprises Report, if applicable; and
- g.** Schedule of values, AIA;
- h.** Construction schedule.

These documents are part of the OH boilerplate and are included in the project manual as part of the bid documents.

Note: No funds will be disbursed without the above items.

2. Monthly Activities

OH staff will review and approve, disapprove, or adjust the contractor request for payment, as submitted by the Borrower for all progress payments using City funds.

If the project has federal funds, the Borrower will provide OH with monthly WMBE and Section 3 reporting from the architect/consultant and the construction contractor. If the project has local funds, the Borrower will provide OH with a monthly WMBE report.

The Borrower will submit weekly wage reports to HSD for City administered, federally funded projects requiring Davis-Bacon wages. HSD will review the wage reports and respond back with required corrections within 30 days of receipt of the wage reports.

3. Change Orders

The Borrower will submit all final change orders as part of the monthly report to OH. The Borrower will submit change orders to OH for approval when the amount of the change exceeds .5% of the construction contract, when the cumulative amount of all the change orders exceeds 2% of the construction contract, or when changes in the completion date of the project are contemplated. Change order limits may be adjusted based on the size of the project.

J. CONSTRUCTION CLOSE-OUT

1. Request for Final Construction Payment

Within sixty (60) days of the issuance of the Certificate of Occupancy, the Borrower must submit the Final Request for Payment to OH for review. If the work does not require a Certificate of Occupancy, then the sixty days will start at the date on the architect's "Certificate of Substantial Completion". The Borrower needs to insure that the contractor has completed all the contract items prior to requesting the final construction draw and the release of retainage.

The Borrower will provide OH with:

- a. DCLU Certificate of Occupancy;
- b. Architect's Certificate of Substantial Completion;
- c. the architect's certification that all contract items have been completed, including the punch list, and that the contractor has delivered all as-built documents, maintenance manuals and warranties to the Borrower;
- d. final lien waiver from the general contractor;
- e. a copy of the final State Affidavit of Wages Paid from the general contractor working on locally funded projects.
- f. final Davis-Bacon Wage reporting for HSD review and approval for federally funded projects.

Note: Release of retainage is not conditioned on an OH inspection of the completed project, however OH asset management staff will inspect the building to confirm the building is ready for occupancy. OH asset management staff will schedule a close out meeting and building inspection when the final construction draw is initiated.

K. PROJECT CLOSE-OUT AND COST CERTIFICATION

Project closeout should occur as soon as possible after completion of the project so any excess City funds may be returned to OH for new projects.

Project closeout begins when construction is 100% complete. The project will be considered complete when the Final Request for Payment (request for release of retainage), is requested by the contractor and approved by OH. Project closeout includes the following:

1. Cost Certification

A "Mortgagor's Certification of Actual Costs" must be provided to OH at the completion of the project. Cost certification costs between \$3,000 and \$5,000 depending on the size of the project and organization. This cost certification is to be completed, in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States, by an independent CPA licensed in the State of Washington.

2. Relocation

If temporary or permanent relocation activity occurred prior to or during construction, Borrower must submit certifying statement upon completion of the project. The statement should include the amount of funds spent, a short narrative discussion of the relocation activities and problems encountered, the number of families, individuals or businesses relocated, and a statement certifying that families and individuals have been relocated to decent, safe and sanitary housing.

3. Demographic Information on Tenants

If the project is federally funded, Borrower must submit the tenant demographic information prior to the final disbursement. A copy of the form, *Household Characteristics*, is attached and can be

downloaded from our web site, <http://seattle.gov/housing/HousingDevelopers.htm>. Click on HOME/CDBG Household Characteristics form.

4. Developer Fee

The balance of the developer fee (5%) may be requested upon the completion of all the above items.

5. Status of Reserves

Borrower must submit status of operating and replacement reserves at time of project completion.

6. Management Plan

Borrower must submit a management plan for OH review and approval that includes:

- a. tenant selection,
- b. an affirmative marketing plan,
- c. income determination and documentation,
- d. Rental lease,
- e. reporting and compliance,
- f. financial management,
- g. operating and replacement reserves,
- h. routine maintenance and repair, and unit turnover,
- i. capital improvements,
- j. on and off site management,
- k. service coordination and delivery, and tenant selection for homeless or special needs populations, if applicable.